



[6450-01-P]

DEPARTMENT OF ENERGY

[FE Docket No. 16-205-LNG]

Dominion Cove Point LNG, LP; Application for Blanket Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations on a Short-Term Basis

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of application.

SUMMARY: The Office of Fossil Energy (FE) of the Department of Energy (DOE) gives notice of receipt of an application (Application), filed on November 23, 2016, by Dominion Cove Point LNG, LP (DCP). The Application requests blanket authorization to export liquefied natural gas (LNG) in an amount up to the equivalent of 250 billion cubic feet (Bcf) of natural gas prior to the commencement of commercial operation of DCP's Liquefaction Project at its existing Cove Point LNG Terminal in Calvert County, Maryland. DCP requests authorization to export such "Commissioning Volumes" over a period of two years commencing on the date of the first short-term export, which is expected to occur during the fourth quarter of 2017 and not later than six months thereafter. The LNG would be exported from the Cove Point LNG Terminal to any country with the capacity to import LNG in ocean-going carriers and with which trade is not prohibited by U.S. law or policy, including both countries with which the United States has entered into a free trade agreement requiring national treatment for trade in natural gas (FTA countries) and all other countries (non-FTA countries). DCP requests this authorization on its own behalf and as agent for other entities who hold title to the natural gas at the time of export. The Application was filed under section 3 of the Natural Gas Act (NGA). Additional

details can be found in DCP's Application, posted on the DOE/FE website at:

<https://energy.gov/fe/dominion-cove-point-lng-lp-16-205-lng-blanket-authorization-export-lng-ftanfta>.

Protests, motions to intervene, notices of intervention, and written comments are invited.

DATES: Protests, motions to intervene or notices of intervention, as applicable, requests for additional procedures, and written comments are to be filed using procedures detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES:

Electronic Filing by email:

fergas@hq.doe.gov

Regular Mail

U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy
P.O. Box 44375
Washington, DC 20026-4375

Hand Delivery or Private Delivery Services (e.g., FedEx, UPS, etc.)

U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy
Forrestal Building, Room 3E-042
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FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

DCP requests a short-term blanket authorization to export Commissioning Volumes—that is, the volumes of LNG produced prior to the start of full commercial operations of DCP’s Liquefaction Project. DCP intends to source these Commissioning Volumes from domestically produced natural gas and/or from LNG previously imported by vessel at the Cove Point LNG Terminal from foreign sources, and requests authorization allowing for both possibilities. DCP commits that the Commissioning Volumes to be exported under the requested authorization, when added to any volumes exported under DCP’s long-term export authorizations, will not exceed 250 Bcf in any annual (12 consecutive month) period, so that the quantity exported in any year shall not exceed the level previously authorized by DOE/FE.

DOE/FE Evaluation

The portion of the Application seeking authority to export Commissioning Volumes to non-FTA countries will be reviewed pursuant to section 3(a) of the NGA, 15 U.S.C. § 717b(a), and DOE will consider any issues required by law or policy. In reviewing this Application, DOE will consider domestic need for the natural gas, as well as any other issues determined to be appropriate, including whether the arrangement is consistent with DOE’s policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own

trade arrangements. As part of this analysis, DOE will consider the following two studies examining the cumulative impacts of exporting domestically produced LNG:

- *Effect of Increased Levels of Liquefied Natural Gas on U.S. Energy Markets*, conducted by the U.S. Energy Information Administration upon DOE's request (2014 EIA LNG Export Study);¹ and
- *The Macroeconomic Impact of Increasing U.S. LNG Exports*, conducted jointly by the Center for Energy Studies at Rice University's Baker Institute for Public Policy and Oxford Economics, on behalf of DOE (2015 LNG Export Study).²

Additionally, DOE will consider the following environmental documents:

- *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014);³ and
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States*, 79 FR 32260 (June 4, 2014).⁴

Parties that may oppose this Application should address these issues and documents in their comments and/or protests, as well as other issues deemed relevant to the Application.

The National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. DCP states that the proposed export of Commissioning Volumes will not require the construction of any new facilities, nor any modification of the facilities previously authorized by FERC. No final decision will be issued in this proceeding until DOE has met its environmental responsibilities.

¹ The 2014 EIA LNG Export Study, published on Oct. 29, 2014, is available at: <https://www.eia.gov/analysis/requests/fe/>.

² The 2015 LNG Export Study, dated Oct. 29, 2015, is available at: http://energy.gov/sites/prod/files/2015/12/f27/20151113_macro_impact_of_lng_exports_0.pdf.

³ The Addendum and related documents are available at: <http://energy.gov/fe/draft-addendum-environmental-review-documents-concerning-exports-natural-gas-united-states>.

⁴ The Life Cycle Greenhouse Gas Report is available at: <http://energy.gov/fe/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states>.

Interested persons will be provided 30 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, notices of intervention, or motions for additional procedures.

Public Comment Procedures

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable. Interested persons will be provided 30 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention.

Any person wishing to become a party to the proceeding must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to the proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR Part 590.

Filings may be submitted using one of the following methods: (1) e-mailing the filing to fergas@hq.doe.gov, with FE Docket No. 16-205-LNG in the title line; (2) mailing an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**; or (3) hand delivering an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**. All filings must include a reference to FE Docket No. 16-205-LNG. PLEASE NOTE: If submitting a filing via email, please include all related documents and attachments (e.g., exhibits) in the original email correspondence. Please do not include any active hyperlinks

or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

A decisional record on the Application will be developed through responses to this Notice by parties, including the parties' written comments and replies thereto. Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final Opinion and Order may be issued based on the official record, including the Application and responses filed by parties pursuant to this Notice, in accordance with 10 CFR 590.316.

The Application is available for inspection and copying in the Office of Regulation and International Engagement docket room, Room 3E-042, 1000 Independence Avenue, SW., Washington, DC 20585. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays. The Application and any filed protests, motions to intervene or notice of interventions, and comments will also be available electronically by going to the following DOE/FE Web address:

<http://www.fe.doe.gov/programs/gasregulation/index.html>.

Issued in Washington, D.C., on April 6, 2017.

John A. Anderson

Director, Office of Regulation and International Engagement
Office of Oil and Natural Gas

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